

## **Minutes of the Finance Committee**

**Wednesday, August 6, 2014**

Chair Heinrich called the meeting to order at 8:30 a.m.

**Present:** Supervisors Jim Heinrich, Larry Nelson, Duane Paulson, Richard Morris, Steve Whittow, Bill Zaborowski, and Eric Highum.

**Also Present:** Chief of Staff Mark Mader, Building Operations Manager Shane Waeghe, Senior Landscape Architect Steve Brunner, Criminal Justice Collaborating Council Coordinator Rebecca Luczaj, Matt Masterson of The *Freeman*, Budget Specialist Bill Duckwitz, Budget Manager Linda Witkowski, Senior Civil Engineer Karen Braun, Legal Intern Chris Morgan, and Principal Assistant Corporation Counsel Erik Weidig. Recorded by Mary Pedersen, County Board Office.

### **Approve Minutes of July 16**

MOTION: Paulson moved, second by Zaborowski to approve the minutes of July 16. Motion carried 7-0.

### **Schedule Next Meeting Date**

- August 20

### **Announcements**

Paulson and Heinrich said they respectively attended the Clerk of Courts and Sheriff's 2015 budget presentations to the County Executive.

### **Contract Procurement Process for HVAC and Chiller Maintenance and Repair Services**

Waeghe advised the contract was awarded to Advanced Chiller Services, Conditioned Air Design, and Mared Mechanical Contractors for HVAC, and Advanced Chiller Services, Carrier Commercial Services and Samsa Chiller Services for chiller services. Six contractors submitted RFPs for either HVAC or chiller services or both. The amount budgeted for these services is \$100,000 and was based on a pre-determined formula. The work performed will be based on need, not to exceed the budgeted amount.

MOTION: Zaborowski moved, second by Nelson to approve the contract procurement process for HVAC and chiller maintenance and repair services. Motion carried 7-0.

### **Contract Procurement Process for Architectural and Engineering Services for Bugline Trail Paving Improvements – Phase 3**

Brunner gave background on the project and showed an aerial map of the area. The contract was awarded to COORE, Inc., the highest rated proposer, for a total contract cost of \$69,010. The budgeted amount is \$80,000. Six contractors submitted RFPs for consideration.

MOTION: Whittow moved, second by Morris to approve the contract procurement process for architectural and engineering services for Bugline Trail paving improvements – Phase 3. Motion carried 7-0.

### **Update on Alcohol Treatment Fees and Revenue Goals**

Luczaj referred to her report titled "Alcohol Treatment Court Program Fee Revenue Summary 2009-2014" and explained the program. Total 2014 revenues at the end of June were \$23,813. This compares to the same time period in 2013 when revenues totaled \$28,836. Currently, the total caseload is 55 third and fourth-time OWI offenders. Client fee collections include revenue from two categories of enrolled clients: tax levy-funded third OWI offenders and federal grant-funded fourth OWI offenders (and a select number of third OWI offenders) which began in 2011.

Luczaj explained the decline in revenues (tax levy-funded program) including more participants choosing to participate in the grant-funded program, an overall decrease in program enrollment, and some clients being assessed a lower monthly fee due to their financial situation. Because of the decline, 2015 revenue projections have been adjusted accordingly. Also, the federal grant ends September 30, 2014. On October 1 all clients will be placed in the tax levy-funded category and all incoming client revenues will be used to offset the County's cost of the program. Caseload capacity will be reduced January 1, 2015 to approximately 40-45 participants total. This compares to the current caseload of 55. On average, the program takes about 14 months to complete.

Nelson asked if there are any grant opportunities for 2015. Luczaj said not at this time.

### **Capital Projects Status Report for Six Months Ended**

Duckwitz reviewed the capital projects 2014 six months status report as outlined including project title, current appropriation, expenditures, balance, and percent complete for design, bid, and construction. While some delays were noted, no major concerns were voiced.

MOTION: Zaborowski moved, second Paulson to accept the capital projects status report for six months ended. Motion carried 7-0.

### **Special Revenue and General Funds Report for Six Months Ended**

Witkowski discussed her report as outlined. As of six months, all Special Revenue funds reported were projected to finish the year with overall favorable results. Transportation Fund projections included expenditures that were expected to be over budget by \$512,400. This was mostly due to higher costs for winter maintenance in the first quarter including \$156,000 for overtime, highway materials, and vehicle costs. Revenues in this fund included General Transportation Aid (GTA) which were below budget by \$199,000 offset with increased revenue from the State for maintenance performed on State roads. Total revenues were estimated to be above budget by nearly \$528,000. This will be reviewed more closely in the nine-month report, after the summer work is billed. The Parks & Land Use Community Development fund is also projected to be below budget for both expenditures and revenues with offsetting net results. This will be reviewed and addressed at year-end.

For the first six months of 2014, total General Fund expenditures were at about \$72.7 million or 44.4% of the total modified expenditure. This compares to the same period in 2013 when expenditures totaled \$71.8 million or about 46.2% of total 2013 actual expenditures. Expenditures were higher than the prior year by \$900,000. Operating revenues achieved during the first six months of 2014 were about \$34.1 million or 42.1% of the modified revenue budget. This compares to the same period in 2013 when revenues totaled about \$35.3 million or 46.4%. For the first six months of 2014, revenues are lower than the prior year by \$1.2 million primarily due to revenues budgeted in the Register of Deeds and Treasurer's Office. At this time, overall year-end results are

projected to be close to break-even. Investment income in the Treasurer's Office is projected to be lower-than-budgeted by about \$1.9 million resulting from historically low interest rates. Other unfavorable variances include the Register of Deeds by \$210,000 mainly due to lower document recording volume and the Sheriff's Department by about \$175,000 due to lower Huber and federal prisoner revenues.

Offsetting favorable results for year-end 2014 include \$775,000 in Health and Human Services due to lower contracted services for the crisis line and lower juvenile correctional placement charges. Other significant favorable projections include Parks and Land Use (\$240,000), Clerk of Courts (\$220,000), and Public Works (\$180,000). The Department of Administration will continue to monitor major budget items for the remainder of 2014 and the County Executive will meet with departments to identify budget saving measures that can be implemented for the second half of the year to ensure favorable General Fund results at year-end.

MOTION: Highum moved, second by Zaborowski to accept the Special Revenue and General funds report for six months ended. Motion carried 7-0.

#### **Status Report on the Contingency Fund for Six Months Ended**

Witkowski distributed copies of her report titled "Summary of 2014 Contingency Fund Transactions as of June 30, 2014." As of June 30, no contingency funds were expended although four issues last year did require the use of contingency funds. The current balance is \$1,200,000.

MOTION: Zaborowski moved, second by Whittow to accept the status report on the Contingency Fund for six months ended. Motion 7-0.

#### **Closed Session**

MOTION: Paulson moved, second by Morris to go into closed session at 10:29 a.m. pursuant to Section 19.85(1)(g), Wis. Stats. to confer with staff and Corporation Counsel who is rendering oral advice concerning strategy to be adopted with respect to the potential compromise of pending litigation (Your Auto Wash LLC v. Waukesha County, Case No. 13-CV-2089). Motion carried 7-0.

The committee returned to open session at 10:42 a.m.

#### **Authorization of Settlement: Your Auto Wash, LLC v. Waukesha County, Case No. 13-CV-2089.**

MOTION: Paulson moved, second by Morris to authorize settlement of Your Auto Wash LLC v. Waukesha County, Case No. 13-CV-2089, by payment from the County to Your Auto Wash LLC in the amount of \$10,000 with approval from the Public Works Director to execute any further documents necessary to effectuate the settlement. Motion carried 7-0.

MOTION: Nelson moved, second by Paulson to adjourn at 10:45. Motion carried 7-0.

Respectfully submitted,

William J. Zaborowski  
Secretary